



SPECIAL EDITION

Governor Jennifer M. Granholm released the Fiscal Year (FY) 2010 Executive Budget recommendation today. Economic difficulties continue to influence the state budget process. This budget is reflective of Michigan's current economic distress. With a revenue shortfall of up to \$1.4 billion in FY 2010, significant budget cuts, consolidations, and governmental reforms are all very likely.

This action effectively begins the budget process for FY 2010. There are several more steps in the budget process prior to actual passage of the budget into law. They include the release of the legislative version of the bill which starts this year in the House of Representatives, committee hearings, votes by committees, votes by both houses of the Legislature, a conference committee if necessary, and finally ending with the Governor signing the bill into law. Because it is a process with many different stages, there will most certainly be changes within the Corrections budget prior to it becoming law on or before October 1, 2009. For more information on the budget process click on the following link:



<http://www.michigan.gov/budget/0,1607,7-157-11462-34950--,00.html>

The proposed Executive Budget recommends a nearly 3% reduction in General Fund spending by the Michigan Department of Corrections (MDOC) when compared with FY 2009. Reforms in the Corrections budget include:

- \$156 million in savings through repurposing and facility closures including some yet to be identified;
- \$9.6 million in savings through reductions in Officer Recruit Training;
- \$10.5 million savings through departmental efficiencies; and
- \$1.7 million in central office reductions.

The Corrections budget also includes reinvestment in technology and community supervision resources that are vital to ensuring public safety. To achieve additional facility closures by October 1, 2009, supplemental funding of \$20 million in parole and re-entry resources is requested for FY 2009. These funds will allow the Department to initiate the planning, resource allocation, and case review necessary to prepare for the release of offenders who have reached their minimum sentence while ensuring public safety.

# FYI: SPECIAL EDITION

FY 2010 reinvestment includes:

- \$19.8 million in parole review, supervision, and monitoring technology;
- \$22.7 million in Re-entry services;
- \$16.7 million in conversion costs for mentally ill offender housing; and
- \$1 million for a high-risk probationer crime reductions demonstration project.

A declining prison population as well as the adoption and application of policies presented by the non-partisan Council of State Governments allow the MDOC to safely and effectively manage our offender population while creating cost savings that help meet the constitutional requirement to balance Michigan's state budget. While these decisions are difficult and have a significant impact on all our employees, they are the right thing to do, given the tremendous budget crisis we face. Our Department must continue to adapt while still meeting our mission of protecting the public and ensuring offender success.

This is a time of uncertainty for all of our employees, but I want to assure each of you that we will continue to share information about the budget as it progresses through the process. There will be a great deal of change in the coming months and with that change, there will be some difficult decisions that tangibly affect many of us. I will do everything in my power to make sure our employees have the information they need to make sound decisions about their future and the role they will play in right-sizing our Department.

*Patricia L. Caruso, Director*